

What is claimed is:

1. A method for structuring a transaction, comprising:
selling a security into a market by a first party at a predetermined time;
5 paying interest by the first party to a second party;
paying a dividend equivalent by the second party to the first party;
periodically marking the security sold by the first party to market; and
arranging an agreement between the second party and a third party, wherein the agreement
provides, to the third party, short exposure to the security based upon the sale of the security by the
10 first party.

2. The method of claim 1, wherein the predetermined time includes a predetermined
calendar date.

3. The method of claim 2, wherein the predetermined time includes a predetermined hour.

4. The method of claim 1, wherein the first party retains the proceeds of the sale of the
security.

5. The method of claim 1, wherein the interest is paid periodically using a period selected
from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; f)
annually; and g) at the completion of the transaction.

6. The method of claim 1, wherein the dividend equivalent equals at least part of the value
25 of any dividend paid on the security sold by the first party.

7. The method of claim 1, wherein the dividend equivalent is paid periodically using a
period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-
annually; f) annually; and g) at or about the period which is correlated with the payment of the
30 dividend.

8. The method of claim 1 comprising the additional step of making a payment from the first party to the second party or from the second party to the first party, depending upon the price of the security at the time the security is marked - to - market.

5 9. The method of claim 1, wherein the marking is carried out in U.S. dollars.

10 10. The method of claim 1, wherein the marking is carried out periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; and f) annually.

11. The method of claim 1, wherein the security is selected from the group including: a) at least one fixed income security; b) at least one warrant; c) at least one stock; d) at least one option; e) at least one convertible bond; f) at least one non-convertible bond; and g) at least one future.

15 12. The method of claim 1, wherein the security is selected from the group including: a) at least one security associated with a single stock issue; b) at least one security associated with a basket of stocks formed of a plurality of stock issues; and c) at least one security associated with a stock index.

20 13. The method of claim 1, wherein the first party has a long position in the security.

25 14. A method for structuring a transaction, comprising:
obligating a first party to sell a security into a market at a predetermined time under a first agreement with a second party; and
arranging a second agreement between the second party and a third party, wherein the second agreement provides, to the third party, short exposure to the security based upon the sale of the security by the first party.

30 15. The method of claim 14, wherein the first party is an institutional investor.

16. The method of claim 14, wherein the third party is a hedge fund.

{B0271.DOC;}

17. The method of claim 14, wherein the predetermined time includes a predetermined calendar date.

18. The method of claim 17, wherein the predetermined time includes a predetermined hour.

19. The method of claim 14, wherein the first party retains the proceeds of the sale of the security.

20. The method of claim 14, wherein the security is selected from the group including: a) at least one fixed income security; b) at least one warrant; c) at least one stock; d) at least one option; e) at least one convertible bond; f) at least one non-convertible bond; and g) at least one future.

21. The method of claim 14, wherein the security is selected from the group including: a) at least one security associated with a single stock issue; b) at least one security associated with a basket of stocks formed of a plurality of stock issues; and c) at least one security associated with a stock index.

22. The method of claim 14, wherein the first party has a long position in the security.

23. A method for structuring a transaction, comprising:
arranging a first agreement between a first party and a second party, wherein the first agreement requires the first party to sell a security into a market; and
arranging a second agreement between the second party and a third party, wherein the second agreement provides, to the third party, short exposure to the security based upon the sale of the security by the first party made under the first agreement.

24. The method of claim 23, wherein the first party is an institutional investor.

25. The method of claim 23, wherein the third party is a hedge fund.

26. The method of claim 23, wherein the first agreement further comprises requiring the first party to sell the security into the market at a predetermined time.

{B0271.DOC;}

27. The method of claim 23, wherein the first agreement further comprises requiring the first party to pay interest to the second party.

28. The method of claim 23, wherein the first agreement further comprises requiring the second party to pay a dividend equivalent to the first party.

29. The method of claim 23, wherein the first agreement further comprises requiring periodic marking of the security sold by the first party to market.

30. The method of claim 23, wherein the predetermined time includes a predetermined calendar date.

31. The method of claim 30, wherein the predetermined time includes a predetermined hour.

32. The method of claim 23, wherein the first party retains the proceeds of the sale of the security.

33. The method of claim 27, wherein the interest is paid periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; f) annually; and g) at the completion of the transaction.

34. The method of claim 28, wherein the dividend equivalent equals at least part of the value of any dividend paid on the security sold by the first party.

35. The method of claim 28, , wherein the dividend equivalent is paid periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; f) annually; and g) at or about the period which is correlated with the payment of the dividend.

36. The method of claim 29, comprising the additional step of making a payment from the first party to the second party or from the second party to the first party, depending upon the price of the security at the time the security is marked - to - market.

37. The method of claim 29, wherein the marking is carried out in U.S. dollars.

38. The method of claim 29, wherein the marking is carried out periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; and f) annually.

39. The method of claim 23, wherein the security is selected from the group including: a) at least one fixed income security; b) at least one warrant; c) at least one stock; d) at least one option; e) at least one convertible bond; f) at least one non-convertible bond; and g) at least one future.

40. The method of claim 23, wherein the security is selected from the group including: a) at least one security associated with a single stock issue; b) at least one security associated with a basket of stocks formed of a plurality of stock issues; and c) at least one security associated with a stock index.

41. The method of claim 23, wherein the first party has a long position in the security.

42. A method for structuring a transaction, comprising:
arranging a first agreement between a first party and a second party, wherein the first agreement requires the first party to sell a security into a market at a predetermined time;
paying interest by the first party to the second party;
paying a dividend equivalent by the second party to the first party;
periodically marking the security sold by the first party to market; and
arranging a second agreement between the second party and a third party, wherein the second agreement provides, to the third party, short exposure to the security based upon the sale of the security by the first party made under the first agreement.

43. The method of claim 42, wherein the first party is an institutional investor.

44. The method of claim 42, wherein the third party is a hedge fund.

45. The method of claim 42, wherein the predetermined time includes a predetermined calendar date.

5

46. The method of claim 42, wherein the predetermined time includes a predetermined hour.

10

47. The method of claim 42, wherein the first party retains the proceeds of the sale of the security.

15

48. The method of claim 42, wherein the interest is paid periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; f) annually; and g) at the completion of the transaction.

49. The method of claim 42, wherein the dividend equivalent equals at least part of the value of any dividend paid on the security sold by the first party.

20

50. The method of claim 42, wherein the dividend equivalent is paid periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; f) annually; and g) at or about the period which is correlated with the payment of the dividend.

25

51. The method of claim 42, comprising the additional step of making a payment from the first party to the second party or from the second party to the first party, depending upon the price of the security at the time the security is marked - to - market.

52. The method of claim 42, wherein the marking is carried out in U.S. dollars.

30

53. The method of claim 42, wherein the marking is carried out periodically using a period selected from the group including: a) daily; b) weekly; c) monthly; d) quarterly; e) semi-annually; and f) annually.

{B0271.DOC;}

